



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CECW-PM

05 MAR 2002

MEMORANDUM FOR Commander, Mississippi Valley Division (CEMVD-MD-P)

SUBJECT: Implementation Guidance for Section 527 of the Water Resources Development Act of 2000 (WRDA 2000) – Minneapolis, Minnesota


1. Section 527 directs the Secretary to design and construct a project for environmental restoration and recreation in Minneapolis, Minnesota, substantially in accordance with an existing report prepared by the State of Minnesota, and dated 20 June 1999. Section 527 specifies that the non-Federal share of the project will be 35 percent and that lands, easements, rights-of-way, relocations and disposal areas are a non-Federal responsibility which will be credited toward the non-Federal share. Section 527 states that operation, maintenance, repair, rehabilitation, and replacement will be a non-Federal responsibility. Section 527 states that non-Federal project work completed prior to the execution of the Project Cooperation Agreement (PCA) will be creditable to the non-Federal share if the Secretary determines that the work is integral to the project. The Federal cost is limited to \$10,000,000. The text of section 527 is enclosed.
2. The District will use allocated funds to negotiate and execute a Design Agreement under Preconstruction Engineering and Design (PED) with the non-Federal sponsor. The first output of PED will be a feasibility level decision document that will address whether the project as developed by Minnesota will function as intended, is adequately defined for initiating design, and complies with Federal law and U.S. Army Corps of Engineers policies and design standards. The decision document will include a current National Economic Development benefit analysis and the appropriate environmental compliance document for the authorized project. The decision document will define the project implementation responsibilities. Following technical review, the decision document will be submitted to HQUSACE for policy compliance review and approval. Design may not be initiated and the project may not be budgeted for construction prior to HQUSACE and Assistant Secretary of the Army (Civil Works) approval of the decision document. Under Executive Order 12322, the decision document must be reviewed and cleared by the Office of Management and Budget prior to inclusion in the President's budget.
3. The decision document must include a section titled Crediting Documentation. This section must include the necessary information to determine whether any work performed and/or financed by the non-Federal interest is integral to the project. The information must include an estimate of all non-Federal costs to determine which are creditable costs. The source of any funds not originating from the non-Federal sponsor must be identified. The credit for prior work may be afforded during the first year after the PCA is executed or after the work is completed and the costs are audited, whichever occurs later. Credit will be based on the reasonableness, allocability and allowability of the costs. The total amount of credit shall not exceed the non-Federal share.

CECW-PM

SUBJECT: Implementation Guidance for Section 527 of the Water Resources Development Act of 2000 (WRDA 2000) – Minneapolis, Minnesota

The Assistant Secretary of the Army (Civil Works) must approve the credit prior to the execution of the PCA. Reimbursement for the value of work that may exceed the non-Federal share of project costs is not authorized.

FOR THE COMMANDER:

A handwritten signature in cursive script that reads "Raleigh H. Leef".

RALEIGH H. LEEF

Acting Chief, Planning and Policy Division
Directorate of Civil Works

Encl

SEC. 527. MINNEAPOLIS, MINNESOTA.

(a) IN GENERAL- The Secretary, in cooperation with the State of Minnesota, shall design and construct the project for environmental restoration and recreation, Minneapolis, Minnesota, substantially in accordance with the plans described in the report entitled 'Feasibility Study for Mississippi Whitewater Park, Minneapolis, Minnesota', prepared for the State of Minnesota Department of Natural Resources, dated June 30, 1999.

(b) COST SHARING-

(1) IN GENERAL- The non-Federal share of the cost of the project shall be 35 percent.

(2) LANDS, EASEMENTS, AND RIGHTS-OF-WAY- The non-Federal interest shall provide all lands easements, rights-of-way, relocations, and dredged material disposal areas necessary for construction of the project and shall receive credit for the cost of providing such lands, easements, rights-of-way, relocations, and dredged material disposal areas toward the non-Federal share of the cost of the project.

(3) OPERATION, MAINTENANCE, REPAIR, REHABILITATION, AND REPLACEMENT- The operation, maintenance, repair, rehabilitation, and replacement of the project shall be a non-Federal responsibility.

(4) CREDIT FOR NON-FEDERAL WORK- The non-Federal interest shall receive credit toward the non-Federal share of the cost of the project for work performed by the non-Federal interest before the date of execution of the project cooperation agreement if the Secretary determines that the work is integral to the project.

(c) AUTHORIZATION OF APPROPRIATIONS- There is authorized to be appropriated \$10,000,000 to carry out this section.